

**HEARING MINUTES**  
**IDAHO STATE BOARD OF ACCOUNTANCY**  
Boise, Idaho  
January 29, 2003  
**REGULAR SESSION**

Hearings on Daniel DeKruyf, CP-2860 and Frank Chapin, PA-2 were held at the law offices of Moffatt, Thomas, Barrett, Rock, & Fields at 101 S. Capitol Blvd, Boise, Idaho. The Regular Session of the Idaho State Board of Accountancy was called to order at 9:12 AM. Mr. DeKruyf's hearing began at 9:13 AM. A break was taken at 10:24 AM. The Regular Session resumed at 10:35 AM. The hearing concluded at 10:54 AM. The Board adjourned to Executive Session at 10:55 AM, returned to Regular Session at 11:25 AM, and adjourned to Executive Session at 11:43 AM. The Executive Session returned to Regular Session at 1:07 PM. The Presiding Officer, Roseanne Hardin, closed the hearing at 1:15 PM. A lunch break was taken. Regular Session was called to order at 1:44 PM. Mr. Chapin's hearing began at 1:49 PM. A break was taken from 2:10 PM to 2:21 PM. The Board adjourned to Executive Session at 2:56 PM and resumed the Regular Session at 3:46 PM. The meeting adjourned at 3:50 PM and the record was closed.

**ROLL CALL:** The following members of the Board were present:  
Lela D. "Kitty" Pumphrey, CPA, Chair  
Larry R. Bird, CPA, Vice-Chair  
James R. Pilcher, CPA, Secretary  
R. Craig Rasmussen, CPA, Treasurer  
J. Thomas Jones, CPA, Past-Chair  
Bette Jo Berryman, LPA, Member

Absent and excused:  
Don Etter, Public Member

Roseanne Hardin was present as the Presiding Officer.

Barbara Porter, Executive Director; Larry Hunter, Board Attorney; Sue Lenon, Board Staff Secretary were present for the Prosecution.

Daniel DeKruyf, respondent, and Mr. DeKruyf's legal counsel Joseph Borton, were present for the Defense.

Douglas Vogtman, Idaho Dairy Herd Association; Rex S. LeForgee, CPA, Larry D. Braga, CPA, and Lisa Donnelley, CPA of LeForgee, Braga and Donnelly Chtd; Melissa Nelson, Executive Director of the Idaho Society of CPA's; and John DeKruyf were also present during Mr. DeKruyf's hearing.

Frank Chapin, LPA, respondent and Sydney Gutierrez, office manager were present via telephone in accordance with *Idaho Code* 67-5242(3)(e) and IDAPA 04.11.01.552. Mr. Chapin had no legal counsel and no stipulations.

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Chair Lela D. Pumphrey called the meeting to order at 9:12 AM. Presiding Officer Roseanne Hardin called the hearing to order at 9:13 AM. The proceedings were recorded by two tape recorders.

Opening statements, a summary of allegations and Mr. DeKruyf's statement were presented by Mr. Hunter. Mr. Borton presented the defense opening statement.

Mr. Hunter then presented the case that Mr. DeKruyf had misappropriated funds while in the practice of public accounting. Ms. Porter, Board Executive Director testified on Mr. DeKruyf's license status and Board costs associated with Mr. Hunter's firm for this case.

A break was taken at 10:24 AM. The Regular session resumed at 10:35 AM for closing statements.

Presiding Officer Roseanne Hardin closed the hearing at 10:54 AM.

Lela D. Pumphrey, Chair, citing *Idaho Code* Section 67-2345 (1)(d) & (f), called for a motion adjourning to Executive Session at 10:55 AM for consideration and advice from legal counsel regarding the proceedings before the Board. Mr. Rasmussen so moved. Mr. Bird seconded. All members of the Board present voted as follows: Kitty Pumphrey, CPA, yes; Tom Jones, CPA, yes; Craig Rasmussen, CPA, yes; Larry Bird, CPA, yes; Bette Jo Berryman, LPA, yes; and Jim Pilcher, CPA, yes.

Mr. Rasmussen moved to adjourn from Executive Session at 11:25 AM and return to Regular Session for clarification of questions. Mr. Jones seconded. All members of the Board present voted in the affirmative.

Mr. Rasmussen moved to adjourn from Regular Session at 11:43 AM and return to Executive Session. Mr. Bird seconded. All members of the Board present voted in the affirmative.

Mr. Bird moved to adjourn from Executive Session and return to Regular Session at 1:07 PM. Mr. Jones seconded. All Members of the board present voted in the affirmative.

Mr. Rasmussen summarized the Board's decision for suspension over revocation for Mr. DeKruyf's violation of the Idaho Accountancy Act and Rules. Mr. Bird moved to suspend Mr. DeKruyf's CPA license for eight (8) years effective upon the signing of the final order, ordered payment of Board expenses, and outlined reinstatement requirements. Mr. Rasmussen seconded the motion. All members of the Board present voted in the affirmative.

The DeKruyf hearing adjourned at 1:15 PM.

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Larry Hunter, Board Attorney teleconferenced Frank Chapin into the hearing at 1:44 PM. A roll call was taken and Presiding Officer Roseanne Hardin called the hearing to order at 1:49 PM. The proceedings were recorded by two tape recorders.

Mr. Hunter presented opening statements. Mr. Chapin had no opening statement. Mr. Hunter presented and explained the Board testimony.

After closing arguments, Ms. Hardin, Presiding Officer, closed the hearing at 2:55 PM.

Lela D. Pumphrey, Chair, citing *Idaho Code* Section 67-2345 (1)(d) & (f), called for a motion to adjourn to Executive Session at 2:56 PM to consider and advise its legal counsel regarding proceedings before the Board. Mr. Rasmussen so motioned. Mr. Pilcher seconded. All members of the Board present voted in the affirmative.

Mr. Rasmussen moved to adjourn from Executive Session to Regular Session at 3:44 PM. Mr. Jones seconded. All members of the Board present voted in the affirmative.

Prosecution and applicant representatives rejoined the Board in person and via telephone during the Regular Session at 3:46 PM. Mr. Rasmussen stated the Board concluded Mr. Chapin violated the Idaho Accountancy Rules and moved to: suspend Mr. Chapin's LPA license for three years effective on the date of the Final Order; the immediate removal of Mr. Chapin's business sign no later than February 1, 2003; Mr. Chapin must comply with the Cease & Desist relating to the use of the title LPA and delivery of services as ordered by the injunction of Judge Neville; and Mr. Chapin must respond to the Verified Complaint filed by Ms. Donna Johnson and cooperate fully with the Investigative Committee. The motion outlined reinstatement requirements. Furthermore, Mr. Chapin must pay the administrative costs associated with this hearing and an enforcement fine of five hundred dollars. Mr. Jones seconded the motion. All members of the Board present voted in the affirmative.

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There being no further discussion, Ms. Pumphrey asked for a motion to adjourn. Mr. Rasmussen so moved. Mr. Jones seconded. Motion carried. The hearing adjourned at 3:50 PM and the record was closed.

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Lela D. Pumphrey, CPA, Chair

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Larry R. Bird, CPA, Vice-Chair

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James R. Pilcher, CPA, Secretary